

Message Text

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SUMMARY. FOLLOWING BREAKDOWN OF DANISH TRADE UNION
FEDERATION (LO) AND DANISH EMPLOYERS' CONFEDERATION (DEC)
NEGOATIONS ON NATIONAL COLLECTIVE AGREEMENT, NATIONAL
MEDIATOR MARCH 18 DELAYED THREATENED STRIKE ACTION FOR
SECOND TIME UNTIL APRIL 6. LABOR MARKET PARTIES, PRODDER
BY GOVERNMENT, WORKED SEPARATELY OVER WEEKEND SEEKING A
BASIS ON WHICH TO RESOLVE THEIR DIFFERENCES. END SUMMARY

1. ALTHOUGH LIMITED BY THE NARROW PARAMETERS SET BY THE DANISH
FOLKETING LAST AUGUST FOR THE SETTLEMENT OF THE CURRENT NATIONAL COL-
LECTIVE AGREEMENTS, THE LO AND THE DEC NEVERTHELESS,
HAVE BEEN UNABLE TO NARROW THEIR DIFFERENCES SUFFI-
CIENTLY TO REACH AGREEMENT. THEIR DIFFERENCES
INCLUDE: VARYING INTERPRETATIONS OF
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THE MEANING OF THE AUGUST COMPROMISE (LIMITING WAGE
INCREASES IN EACH OF NEXT TWO YEARS TO 2 PERCENT MORE THAN
TWO COST-OF-LIVING INCREMENTS); A DISPUTE ON HOW TO
ACCOMMODATE WAGE GLIDE IN THE AUGUST COMPROMISE, AND
THE FUTURE OF THE COST-OF-LIVING INDEXATION SYSTEM.
THE TWO SIDES REMAIN SO FAR APART THAT AFTER THE MOST'
RECENT BREAKDOWN IN NEGOTIATIONS THE NATIONAL MEDIATOR

COULD NOT PRESENT A PROPOSAL BRIDGING THE GAP BETWEEN THE PARTIES AS A BASIS ON WHICH TO RESUME DISCUSSIONS.

2. FOLLOWING THE FIRST BREAKDOWN IN THE TALKS MARCH 11, PRIME MINISTER ANKR JORGENSEN MET SEPARATELY WITH BOTH LABOR MARKET PARTY LEADERS ON MONDAY, MARCH 14, TO PRESS FOR INCREASED EFFORTS TO FIND A SOLUTION. HE SUPPORTED THEIR COMMON PREFERENCE FOR A PRIVATE AGREEMENT BETWEEN THE LABOR MARKET PARTIES AS OPPOSED TO IMPOSITION OF A POLITICAL SOLUTION.

3. NEGOTIATIONS CONTINUED LAST WEEK BUT BROKE DOWN AGAIN LAST FRIDAY AND LED TO THE MEDIATOR'S DECISION TO POSTPONE FOR THE SECOND TIME THE IMPLICATION OF STRIKE DECLARATIONS ISSUED BY THE TRADE UNIONS. THE SECOND DELAY RUNS OUT ON MARCH 30 FOR THE PRINTING INDUSTRY AND APRIL 6 FOR OTHER AREAS.

4. OVER LAST WEEKEND, THE PRIME MINISTER MET AGAIN WITH THE LABOR MARKET PARTIES AND AGAIN PRODDED THEM TO SEEK A BASIS FOR RESOLUTION OF THEIR DIFFERENCES. LABOR MINISTRY OFFICIALS HAVE SPENT THE WEEKEND DEFINING EVEN FURTHER THE PARAMETERS OF THE AUGUST COMPROMISE IN AN EFFORT TO PUSH THE LO AND THE DEC INTO POSITIONS CLOSER TO EACH OTHER AND CREATE THE BASIS FOR A MEDIATION PROPOSAL.

5. SHOULD THIS EFFORT NOT BE SUCCESSFUL AND THE MEDIATOR BE FORCED TO DECLARE THE NEGOTIATIONS AS LIMITED OFFICIAL USE

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HAVING BROKEN DOWN COMPLETELY, A NATIONAL STRIKE (EXCEPT IN AREAS AFFECTING NATIONAL HEALTH AND SAFETY) COULD TAKE PLACE 3 DAYS LATER. . IF IT COMES TO THIS, THE FOLKETING IS EXPECTED TO ACT RAPIDLY TO IMPOSE A POLITICAL SOLUTION. FAST ACTION BY THE FOLKETING WILL BE NECESARY BECAUSE OF THE IMMINENCE OF THE EASTER PARLIAMENTARY HOLIDAY AND SCHEDULED MEETINGS OF THE NORDIC COUNCIL (MARCH 31-APRIL 3 IN HELSINKI) AND SOCIAL DEMOCRATIC PARTIES AND TRADE UNIONS (OSLO APRIL 1-3). BOTH INVOLVE THE PARTICIPATION OF PERSONS IMPORTANT TO THE ADOPTION OF A POLITICAL SOLUTION.

6. COMMENT: NEITHER LABOR NOR MANAGEMENT WANTS A STRIKE AND ANKER JORGENSEN'S MINORITY GOVERNMENT HAS INTERPRETED THE FEBRUARY 15 ELECTION RESULT AS CALLING FOR A PEACEFUL RESOLUTION OF THE CURRENT LABOR MARKET NEGOTIATIONS--EITHER BY THE PARTIES THEMSELVES OR BY THE FOLKETING. WE DOUBT THAT HE WOULD PERMIT A STRIKE TO CONTINUE MORE THAN A WEEK.

7. THE LO LEADERS CONTINUE TO BE BITTER REGARDING THE TREATMENT METED OUT TO THEM BY THEIR OWN PARTY, THE SOCIAL DEMOCRATS. THROUGHOUT THE NEGOTIATING PERIOD THEY HAVE RAILED AGAINST THE TERMS OF THE AUGUST COMPROMISE AND THE UNFAIRNESS OF HAVING "TO CONDUCT A WAR ON TWO FRONTS - AGAINST THE EMPLOYERS AND OUR OWN PARTY." BUT GIVEN THE PRESENT ECONOMIC SITUATION, THE LO FEAR OF THE TERMS OF A POLITICALLY-IMPOSED SOLUTION AND ITS DESIRE, ALONG WITH THE EMPLOYERS, OF PRESERVING THE FICTION (IN LIGHT OF THE AUGUST COMPROMISE) OF FREE COLLECTIVE BARGAINING, WE THINK THAT ON BALANCE THERE IS STILL A POSSIBILITY FOR AN AGREEMENT WITHOUT PARLIAMENTARY INTERVENTION. END COMMENT.
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